

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**HB 1357 - SB 1363**

March 7, 2019

**SUMMARY OF BILL:** Designates certain incorporated municipalities as the principal city of a metropolitan government in certain circumstances.

**ESTIMATED FISCAL IMPACT:**

**Other Fiscal Impact – A precise fiscal impact to local government cannot reasonably be determined, but is considered permissive.**

Assumptions:

- Tennessee Code Annotated § 7-1-101 designates the municipality having the largest population in a county as its principal city, and a consolidation referendum would consolidate the governments of the county and the principal city.
- The proposed legislation will designate the county seat as the principal city of a county that has adopted a consolidation resolution, if after 90 days following the adoption of the consolidation resolution the municipality having the largest population has not adopted a consolidation resolution.
- Pursuant to Tenn. Code Ann. § 7-21-205, in order to ratify a consolidation referendum, the proposed consolidated government charter must be approved by a majority of voters in the county, the principal city, and any smaller city electing to join the consolidated government.
- A precise fiscal impact to local government cannot be determined as it is unknown if the proposed legislation will result in a greater number of consolidation referendums and if such referendums will be held in conjunction with regularly-scheduled elections; however any fiscal impact to a local government is considered permissive.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner".

Krista Lee Carsner, Executive Director

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